

Powers of Attorney

A Power of Attorney (POA) is a document authorizing someone else to act as your agent. For example, you might grant or give a POA to a friend, authorizing your friend to sell your car, ship your household goods, or obtain medical care for your child on your behalf.

The two main POA types are general and special. A general POA allows your agent to do anything that you could legally do yourself. A special (or limited) POA lists the particular act or acts that your agent is authorized to do and limits the agent's authority to only those acts.

Just because you have a POA doesn't mean it will be honored. Every business, bank, or office has its own policy on POAs. Some government agencies, for example, require a particular form. Other offices may not accept a general POA for certain acts, but require a special POA. Before relying on a POA to accomplish an important task, you should ensure that your POA will be accepted. For example, if you are deploying and need someone to pay bills from your bank account, you should take your POA to the bank and ask if the bank will accept it.

A POA can be both helpful and dangerous. Because a POA can be abused, there are potential disadvantages to having a POA. A recently separated spouse, for example, might use a POA from the other spouse to empty the grantor's bank account, go on a shopping spree, or sign up for new credit cards. Before signing a POA you must evaluate your particular situation.

A few simple steps can help prevent POA abuse. Never get a POA that you don't need. Never use a general POA when a special POA is adequate.

Always put an expiration date on your POA. Make sure the expiration date is long enough for your agent to accomplish the job, but not longer than is needed. The duration will depend on the type of job to be accomplished and the risk of abuse. As a matter of policy the Northern Law Center-SHAPE will not draft a POA that is valid for more than one year.

Always remember that you will be legally responsible for the acts of your agent. Therefore, you must exercise great care in selecting the person to be your agent. Once given, a POA is difficult to terminate.

The surest (but not guaranteed) way to terminate a POA before its stated expiration date is to retrieve all the copies and originals given to your agent along with all photocopies that may have been given to banks, realtors, merchants, landlords, and other people. If you can't do that, the next best method is to execute a Revocation of Power of Attorney and give a copy to any person that might deal with the agent named in the original POA. Remember, however, that if anyone enters into a contract while reasonably relying on the original POA, even after it has been revoked, then you are



liable on that contract.

A POA is not effective after you are dead. Following death, the executor of the estate will be granted authority to administer and close the estate. Generally, a POA is also not effective if you become incapacitated. With the help of an attorney, however, you can plan for these events.

The Northern Law Center prepares both general and special powers of attorney on a walk-in basis during normal business hours.

Powers of Attorney is distributed by the Northern Law Center, located in Building 318 on SHAPE. Our office hours are 0900 to 1700 Monday through Friday. You may call us for an appointment at DSN 423-4868 or civilian 065/44.48.68. Check out our web site at <http://www.usagbenelux.eur.army.mil/sites/installation/legal.asp> for other helpful information on other legal topics.